Interview with William I. Bacchus and Thomas Stern

The Association for Diplomatic Studies and Training Foreign Affairs Oral History Program

WILLIAM I. BACCHUS AND THOMAS STERN

Interviewed by: Charles Stuart Kennedy

Initial interview date: February 19, 1990

Q: Today we will discuss the personnel policies of the State Department as they have developed over a period of approximately twenty years. First, Bill, can we have a few words about your background?

BACCHUS: I have in one way or another always have seemed to have a connection with the Department. I left New Mexico to go to Princeton because I though I wanted to join the Foreign Service. I decided to enter graduate school after a stint in the Navy. I wrote a dissertation about organizational change in the Department focusing on the " country director" system. I taught after graduate school at the University of Virginia from 1970-73, teaching a combination of public administration and international affairs. I spent the year 1973-75 on the staff of the Murphy Commission on "The Organization of the Government for the Conduct of Foreign Policy", primarily as the State Department action officer and associate research director. I did not have primary responsibility for the Murphy Commission's personnel studies. That was done by James Clark, but in the context of that, when the Commission completed its work in July, 1975, I was asked by Carol Laise, who was just beginning her tour as Director General, to join her staff, initially just for a few weeks to help her organize a couple of conferences on personnel policies, designed to bring government officials, private sector personnel and academics together with State

officials. I ended up staying at the Department since then with primary staff responsibility for the Foreign Service Act of 1980. I also ran the Bureau of Personnel's Policy Staff from 1979 to 1986. Since 1986, I have been the senior staff assistant for legislative affairs to the Under Secretary for Management. So since 1986, I have been somewhat more divorced from personnel issues, although only “somewhat”.

Q: Tom, what was your background?

STERN: I started in the Department of State in 1951 after having graduating in political science from Haverford College and after having doing a year of graduate work at the Maxwell School for Public Administration at Syracuse University. I have been and out of personnel for much of my career in the Foreign Service particularly in the 1959-61 period when I worked for Bill Crockett,— first when he was Assistant Secretary for Administration and later Deputy Under Secretary for Management—and then later for Bill Macomber —Under Secretary for Management—in the 1969-71 period when I served as Deputy Assistant Secretary for Management.

Q: Let's take up the question of personnel policies in a chronological order. Tom, what was the personnel situation when you first became involved in the Crockett period?

STERN: The interesting aspect of that question and the one that I hope can be pursued further today, is that the issues that confronted Crockett in the early 60s were not much different that I noticed Under Secretary for Management Ivan Selin and Director General Perkins are considering today. The issues have always been training and recruitment, placement and career development, selection-out and most important of all, the construction of a relationship between the size and composition of the Foreign Service and the work requirements of that Service. This is essentially a question of linking the manpower requirements question to management objectives. The same sets of issues confronted Macomber in 1970 when he initiated his reform movement. They seem the same set of issues that confront today's Department's managers.

Q: Crockett has quite a reputation in the Foreign Service for being an innovator. What were his approach and attempts?

STERN: Bill was very good at micromanagement. He found innovative ways of dealing with specific problems. There were problems of morale related to low salaries; so he found ways of increasing allowances. There were problems of placements of specific individuals, both for people referred to the Department by the White House and for others that had been called to his attention. He found innovative ways to use these people that did not to upset the career service. The Arts in Embassies program was the result of one such effort. He did not approach the general problems that I have listed earlier as one set of problems; each one was met individually and by trying to eliminate the small irritants of each, he developed imaginative ways which would have larger impacts subsequently rather than making an effort to take a comprehensive approach initially. His strength was in looking at small parts of the problem, resolving each of them and thereby impact the larger issue. Macomber, on the other hand, ten years later looked at the issues from top down and tried to solve the problems in their entirety through an also very innovative approach of Task Forces of insiders. But I think that had less of an impact than Crockett's approach.

Q: How were the Crockett's changes received by the Secretary and the Foreign Service?

STERN: As for the Secretaries of State, the last item on their agenda has been management and personnel. They get involved when and only if they must and only when there are hoards of people dragging them to the decision-making table. Management and personnel are not issues in which any have any interest, any background and tend therefore to leave these issues in the hands of the Deputy Secretary and the Under Secretary of State for Management. The only sign that Secretaries were aware of management and personnel was through the steady escalation of titles. When I first joined the Department, the chief management officer was an Assistant Secretary for Administration. That position was raised to Deputy Under Secretary for Management and

eventually to Under Secretary for Management known as “O” for William Orrick, who was the first Under Secretary, so appointed by President Kennedy.

Macomber, like Crockett, had pretty much of a free hand in the management of the Department. I might note that both developed considerable bureaucratic strength through the development of ties to Congress. Crockett was well known as a close friend of John Rooney and Wayne Hayes, both powerful members of the House of Representatives. Crockett also had close ties to President Johnson and his immediate entourage, including Lady Bird, developed while working as Vice-President Johnson's escort officer during his overseas tours. Macomber, similarly, had good contacts on the Hill, having served as Assistant Secretary for Congressional Relations prior to coming to the Management job. These liaisons outside the Department were important to both men for any bureaucracy must respect levers of power. If they are based strictly on inside relationships, they can be too easily subverted. External support is essential to most people who wish to influence the Department and the Foreign Service. This is not to say that such relationships are not resented; they are often, but they are also the means of survival. So both through Secretarial inattention and outside support, Crockett and Macomber had relatively free hands in the supervision and direction of their areas of responsibility.

The Foreign Service is an entirely different issue. I have never fully understood why the Foreign Service had such great difficulty with Crockett's approach. One reason may have been that he used a lot of outside experts. He had a famous industrial psychologist from Harvard, assisting him in effort to improve the Service's efficiency. From that stemmed the famous “T Groups” which consisted of 6-10 officers sitting together discussing over a period of several days, their own frustrations with the system and with themselves. It was at time, the most recent and innovative, by some standards, approach to team building and productivity increase. Most of the Service rejected these new approaches as not applicable to the “elite Corps”. Then he brought in Chris Argyris, also a management expert who wrote a report on the Foreign Service. Crockett used outside resources to assist him to understand and improve the Foreign Service. In doing so, he brought into

the Department procedures, particularly for improved management, which were far too radical and precise for the people who saw themselves as men and women of ideas, which could not be quantified nor indeed could be improved by modern management techniques. I refer here particularly to the programming systems which were in part to be the undergirthing of the personnel and budgetary systems. These programming systems required quantification of policies and actions that the Foreign Service felt were not subject to such analysis. The Foreign Service resisted these new management techniques then, now and I suspect will forever. Much of the progress that Crockett made in improving the living conditions of the Foreign Service—such as swimming pools in some of our worst hardship posts, disguised as water reservoirs—was obscured by the more glamorous-appearing, innovative activities which he tried to sell to the Foreign Service. The Foreign Service tended as a culture to focus on what it considered Crockett's mistakes and never gave him credit for the myriad of improvements he brought to the Service and its members. No one remembers, as another example, that the “American Arts In Embassy” program was a Crockett innovation. It is a very successful program, well accepted, but no one credits Crockett for it. Crockett will always be remembered for the negatives, particularly the programming systems. There were some members of the Foreign Service who actually hated him, although most did not know him. He fostered fear in some because they were concerned that their culture, their dedication to a life of thought and analysis would be deprived of its mystique and be brought to an end by the new fangled management fads called “management by objectives” or “quantitative analysis”. This antipathy to management is still the Foreign Service's greatest nemesis, even though it may be a prescription for self-destruction.

Q: Bill, you entered the Department after the Crockett era. Did you have some observation on some his programs?

BACCHUS: Yes. In a way, the dissertation I wrote on “The Country Director System” was partially related to some of the Crockett reforms. It had a somewhat different origin because it had to do with how the Johnson Administration wanted to reorganize the

national security policy, but when it got inside the Department, below the Bureau level, it was essentially Crockett who had a lot to do with the management choices. He had a lot to do with convincing Alex Johnson and others in the Department to take the old traditional office structure, which typically featured three or four offices in a geographic bureau and split it out into ten or eleven. Crockett believed in a flatter organizational structure than the Department was used to. Instead of having an Assistant Secretary, maybe one or two Deputy Assistant Secretaries, four Office Directors and a bunch of officers-in-charge of country “desks”, Crockett wanted to essentially downgrade the office directors or upgrade the officers-in-charge, depending on how you looked at it. I always thought that the concept made sense because it put in charge of bilateral relations an officer experienced in the affairs of the country for which he was responsible. The hope is that they would become the US Government expert for that country. Also the new country director system were related to some aspects of the programming exercise, which incidentally we are about to revisit—Under Secretary Selin was one of McNamara's “whiz kids”.

I would agree that there are about four or five permanent, on-going issues in the management-personnel area that show up in different ways at different times. I would add to Tom's list the old hackneyed “assigned generalist vs. specialist” issue. We can't quite decide which way we are staffing. My theory has always been that I could probably develop a Foreign Service which would be more responsive to the needs based on either a pure”generalist” or a pure “specialist” model. Either would be better than the half-way house in which we find ourselves today. The one issue that is quite different from the situation that both Crockett and Macomber faced is the “family” issue. That has been a sea-change. Ron Spiers, when he was Under Secretary for Management between 1983 and 1988, used to say that with enough resources and “smarts” we could solve all out personnel problems with the possible exception of the “family” issue. He was referring to a whole series of related issues. The primary one was the number of “two-career” families; if both were in the Foreign Service, you face the problem of not having one spouse working for the other, which limits the number of posts to which the two officers can be assigned;

if they are not both in the Foreign Service, the non-Foreign Service spouse will have difficulties in pursuing his or her career overseas, particularly if it involves licensing such as medicine or law or teaching. In addition, the Crockett-Macomber eras preceded the heights of the women's movement. For the last ten years, one-third of our new FSOs have been women. That does in fact change the dynamics in a number of ways, not all of which we know yet for sure. On that score, the long range change is probably that we will not be able to accommodate all of the demands and that we may well end up with a pattern in which more people will spend part of their careers in the Foreign Service with relatively few spending total careers. That is my guess and I think it could well happen.

The basic problems of how you acquire people, train them, match them with the right jobs, provide career development in a fair and equitable way which simultaneously meets the employee's and the Service's needs, are always going to be present. That is what the personnel business is all about. I would also say that one other factor that I believe to be important in this problem of continually revisiting these issues without ever settling them is that by and large, in the Under Secretary for Management position (or the old Deputy Under Secretary for Management) you tend to get activists, whether they are career people, as Eagleburger and Spiers were, or whether they are outsiders, as Ben Read was, who had most to do with the Foreign Service Act of 1980, or as Ivan Selin is today. they tend to take the job because they think they can do something useful. They believe in the mission of the Department whether they are insiders or outsiders. They tend to believe that the Department is abysmally managed and they want to do something about it. Director Generals have tended to be a little bit different. They have been a mixture of conservatives and activists, but they are all career people with long experience and a love for the Service. Since I went to the Department in the Fall of 1975—little over fourteen years—we have had six Director Generals and seven Under Secretaries for Management, each of whom has tended to put his or her own stamp on the system. There is a great tendency to pick up the rock and see what is underneath it. Everyone also says that we don't need any more reform; as soon as “we got mine done there won't be the need for

anything else". So part of the problem is human nature. I mention that because that has largely been the tradition. You got to remember that one of the great periods of change for the Department and the Foreign Service was the Wriston program (1955-56), which totally changed the personnel premises. A major change. One of the problems that you get with constant uncertainty about reforms the future is inherent skepticism on the part of the Service. Once people been around for a fair amount of time, they have seen it all before and they are just inherently skeptical about the anyone's ability to make changes. That creates a certain amount of self-fulfilling prophecies. If no one believes reform will work, the chances are probably pretty good that it won't. There have been short periods of time when that was overcome, but the normal condition is skepticism about reformers, whether insiders or outsiders, who "come in and tell us how to do our business".

STERN: I certainly agree with everything that Bill has just said. One recent statistic from the Director General's office points out that there has been at least one thorough management-personnel survey of the Department in each of the last thirty years. An organization that needs an annual "physical" or wishes to have an annual check-up for each of the last thirty years is certainly unique. If private enterprise were to do that, this country would be in even worse shape than it is today. You can't reach any kind of stability in a system that is continually under review for thirty years. Bill is absolutely correct. Much of the stimulus for these surveys comes from the aggressiveness of the Under Secretaries, all of whom think they have the answers and the solutions. They each pick up the rocks, look underneath and there we go again.

Q: Let me return to the Macomber period from 1970 to 1972. What were you doing at the time and what were you involved in?

STERN: I had returned from Bonn in mid-1969 where I had been the Counselor for Administration to become the Deputy Assistant Secretary for Management. This was an odd title because I reported directly to the Under Secretary for Management. There was no Assistant Secretary or Deputy Under Secretary in between. The Management Office was

the staff office for the Under Secretary responsible for management surveys, the planning for automation in the Department and overseas staffing for all agencies. It was a strange mix of functions, resulting in a fairly large organization for a staff office. This was a period during which Macomber, like many of his predecessors, decided to pick up the rock and see what was underneath. He did it entirely differently from Crockett. He thought he had learned a lesson from Crockett's efforts and failures. He decided he would not use outside experts, but to rely on insiders for the reform of the Foreign Service. His approach was to designate a number of problem areas, similar to the ones we have been discussing, and to convene a number of Task Forces, each to review one of the perceived major problems. In addition he had some other Task Forces on unusual topics such as “Creativity in the Foreign Service”, which was a very innovative and precedent-breaking effort. He was asking the Service to look at itself in some very esoteric areas.

The unfortunate result of the Macomber endeavor is that it did not have any great consequences, because the Task Forces did not represent the whole Foreign Service. Particularly, it did not include representation of the Director General's Office to whom implementation responsibility was given after the issuance of the reports. The people who were left out were skeptical of the reports. The system as a whole, if it did not completely reject the effort, certainly did not support most of the Task Force recommendations with any great enthusiasm. Macomber issued repeated “progress reports” which in statistical terms sounded very impressive, but in fact were a disappointment because the more innovative recommendations were never given a chance by the bureaucracy. The Task Forces came up with a lot of small recommendations which could be easily accepted, making the statistical game appear a major triumph for management. My Office was one of the support staff to the Task Forces and was then charged with the monitoring of implementation.

There is something, as Bill has pointed out, in the culture of the Foreign Service, which gives credit to skepticism and in many cases becomes anti-change. Even though their own representatives were involved in these Task Forces, the Foreign Service “body politic”

was not apparently sufficiently involved so that it undermined the Task Forces' efforts. I should also note that by the early 70s, the Foreign Service had grown so much that the leadership was very diffused, unlike earlier periods when a small, stellar group of senior officers led the pack and it marched to their tune. By 1970, there were many small groups, none exactly seeking leadership in the Foreign Service, but rather trying to protect their own narrow turfs. These group could, and did, block reform efforts such as Macomber's but never had the enlightenment or leadership or interest to play a positive role.

Q: Lets' move to the time when you, Bill, came to the Department. You had done a dissertation on the Department's organization. You had worked on the Murphy Commission. How did you see the situation?

BACCHUS: The Murphy Commission was a funny animal. It was probably the instrument which brought Tom and me together because during some of the Commission's inquiries we talked to a lot of people in the Department. I think Tom had been charged to make sure that we didn't get into too much trouble. The funny aspect of the Murphy Commission was that it was originally created as a stick by the Congress to hit Henry Kissinger over the head. At that point, the Nixon Administration delayed appointing its representatives to the Commission, which resulted in the Commission meeting from the Summer of 1973 to the Summer of 1975. rather than a year earlier (1972-74). Robert Murphy was the former Ambassador—one of the great old legends of the Foreign Service—. he was not a career officer, but no one would have known it because he had been involved in foreign affairs for so many years. In 1973, he had retired from the Service and was the Chairman of Corning Glass. The difference in timing in the Commission's start—and we knew this at the time—meant that whether the Murphy Commission was going to be implemented in toto was very problematical. By the time the Commission issued its report in 1975, Ford was President, facing a 1976 election. It was too close to the end of that Administration for it to be taken seriously by Congress and the Agencies. It was so far from the beginning of the next Administration that it became a “dead letter”. Nevertheless, particularly in the personnel area, a lot of the recommendations that surfaced in the report ended up in the

Foreign Service Act of 1980. This was in part due to the fact that I was involved in both activities. I thought much of the material contained in the Murphy report made sense and therefore we proselytized for it. We made a conscious decision, which proved to be very useful, that the politics were against the Commission and that a lot of the resources should therefore be devoted to research as opposed to other kinds of activities that we might have pursued. That decision at least left a legacy to build on. In certain areas, that was helpful. The report was a mixed product.

In any event, when I first went to work in the Department, Carol Laise, then the Director General, asked me to write the Department's response to the Murphy Commission report. I asked whether she really wanted me to do that; it sounded a bit like conflict of interest. But it also gave me another shot at those Commission recommendations that had been included over my objections. The report was essentially a “dead letter” although certain aspects, particularly in the personnel area, became part of the 1980 Act. When I came to the Department in late 1975, the issue that was of greatest concern to Carol Laise and others was the effort to put all people in a single personnel system. This was a fall-out of the Macomber Task Forces and was creating a lot of difficulties. We had wanted a “specialist” officer category in the Foreign Service, which was called “Foreign Service Reserve Unlimited”. The idea stemmed from the classical problem in the Foreign Service: “second-class” citizenship. At least that was the perception of the people who were staffing Washington jobs. It was hoped that that view might be changed if you could put them all in the same personnel system with the same pay structure. Originally, I think it was Macomber's idea that if these people joined a Foreign Service system, they might be induced to serve at least a part of their time overseas, so that they could be truly considered as Foreign Service. In part this was also a reaction against the rigidity of the Civil Service personnel system. The dilemma was that we couldn't honor the promise of overseas service for all. If we had 41 historians, with all the historian jobs in Washington, we could call them Foreign Service, but in fact they were not going to have Foreign Service careers except for the odd case of a historian who

might also have been a Europeanist and could fill a position in Europe. There weren't many cases. The Foreign Service is a rank-in-person system with promotions through selection boards; the Civil Service, from where these people had come, was a rank-in-job or static system, particularly in State where we have a lot of little specialties. We ended up with some people converting, some didn't. There were some unearned promotions on the conversions because pay schedules were different and in effect if you waited for certain points in a Civil Service career to convert to the FSRU category, you could get an unearned promotion. We are still paying the price for some of that.

In any case, Laise clearly, as did Larry Eagleburger who was the Under Secretary for Management at that point, thought we needed to sort this out. The code word was “structure”—the structure of the personnel system. But we were enjoined not to return to the once existing situation because of the history of this issue and Kissinger's relationship with Congress. It was crystal clear that we would not go to Congress for new authorities. there was a lot of in-fighting. Eagleburger was required by law to file a report to Congress on this issue and he did—two days before the end of the Ford Administration. He said that he thought that separating the Foreign Service from the Civil Service—the old system—was correct, but he turned the problem over to his successor. I remember that after Eagleburger, there was an inter-regnum. Dick Moose had been originally appointed by the Carter Administration as the Under Secretary for Management, but within three or four months, he switched to Assistant Secretary for African Affairs. After some more searching, the job went to Ben Read.

We had a personnel conference at Aerlie House Conference Center near Warrenton in the fall of 1977. Harry Barnes, a career officer and Director-General designee, told me at that time that Ben Read wanted to look at the structure. So I sent him a list separating issues that were statutory from administrative. I was then told that that distinction no longer made a difference. He intended to look at it. Carol Laise, as Director General, had had other concerns, some of which are still current. I happen to agree with Carol on her views on some of them, contrary to the view now being held in the Department. One of these

concerns was that the best officers were being subjected to the possibility of stagnation —it was taking them too long to get to the top. Right now, in part because of selection-out problems, everybody but me seems to be arguing that the promotion process should be slowed down. I am concerned that since we recruit very talented people who could be Assistant Secretaries or Ambassadors twenty-five years later, they are in some cases over-qualified for the junior level entrance level. People should be pushed and challenged. The 27 year old hot-shot may not be a hot-shot at 42 if you haven't forced him or her to grow and develop. She was worried about that; she was concerned about affirmative action but most important of all, she was worried about the anomalies of a domestic Foreign Service staffed by people who did not rotate. One of the things that happens with the selection boards and the rank-in-person systems is that within a year after promotion, those officers will bid for jobs at their new grade. This encourages rotation and movement. The same thing happens in a pure Civil Service system because when one gets promoted, he or she is moved to a new job simultaneously. But the Department was in a mixed system in which selection boards are promoting people to levels higher than that of their superiors, without any personnel movements. This problem was addressed in the Foreign Service Act of 1980 in an attempt to remove these anomalies. My sense is that this issue was not terribly controversial in the Macomber days. The Task Forces didn't seem to raise any fury about the issue. The Hayes bill in the late 1960s had tried to assist a merger and the Macomber FSRU concept was not resisted when it was proposed. Some Civil service people saw it as an opportunity to improve their income through conversion. But our problem was that the merger was one of those ideas that regardless of its merits at the time it was proposed could not be made to work years later. It was getting worse. When we reviewed the issue in the late 1970s, we were no closer to a uniform single personnel system that we ever were. A lot of people were not converting; so the Department had to continue to run two systems. The choice was eventually made that we had to back away from the concept of a single system. We had enough trouble making the Foreign Service work effectively without trying to bring non-Foreign Service people into it. The merger was just too much; it was an over-load.

STERN: One of the aspects that should be noted at this stage is that Under Secretaries for Management and Director Generals as well tend to view the problems primarily because of specific cases that come to their attention. What the top hears are the squeaky wheels. They tend to react to them and generalize from the few squeaks, making decisions for a whole category of personnel that might only be salutary for a few. The policies that go well never reach the attention of the leadership. Therefore, one of the reasons why you have activist Under Secretaries is because they become exhausted by all the complaints. This particularly true if the squeaky wheels have approached the Secretary or deputy secretary first. An Under Secretary for Management feels—and probably justifiably—that they are judged by amount of complaints their superiors receive—or, in reverse, the complains they don't get. The Under Secretaries want to do something to relieve that pressure. No one stops to ask whether the complaint represents a problem of 1 percent or 5 percent or 50 percent or 75 percent of the population. The fact is that there are too many complaints for the Under Secretary to handle and for sake of his own sanity, he must grease the squeaky wheel. The complaints do not necessarily represent mismanagement, but could be just a reflection of a very human condition: the right and pleasure of complaining. Regular practitioners of the art of complaining understand their victims well and work on the weakness of any one in a leadership position. His or her ego and sanity are challenged by the complaints; he or she will strike out to eliminate them. The good leaders will satisfy the legitimate challenges—those that arise from true injustices—and ignore those that are essentially self-serving. The squeaky wheel was one of the results of the dual system. Some civil servants complained that were being discriminated against—ipso facto, the Wriston report; ipso facto all the other efforts that Bill has just mentioned. I have never been convinced that the majority of the Civil Service throughout the Department were dissatisfied with their lot; I think they would have been contented with remaining in the Civil Service if they were satisfied that there was a future for them in the Department. But that is how the management of the Department moves. It moves by the squeaky wheel. That is true on the substantive side as well as the management side.

BACCHUS: I would agree with that. Wriston may have been a little different than the later actions because at that point we really did have an expatriate Foreign Service and there were entrenched Civil Servants in Washington. My perception after talking to people and doing considerable research is that the tension between the two Services came close to armed warfare. One of the arguments for Wristonization was to get some people who had overseas experience into Washington positions. People who had an understanding of overseas situations should be part of the Department's leadership. In order to bring the Foreign Service home you had to provide some vacancies at home, while the Civil Servants, who needed foreign experience had to go overseas. Although I have always supported Wristonization, it may not have been done in a way to maximize the outcome. But the basic idea, unlike some of the later reforms, was sensible. I think it worked better than many people have given it credit. One of the studies I did for Carol Laise showed that contrary to conventional wisdom which said that Civil Service people who had joined the Foreign Service at the time did not succeed, the fact was the experience varied widely. It was just not true that the former Civil Servants became the cushion at the bottom which saved Foreign Service officers from being selected out. When I looked at the experience in 1976, a disproportionate share of Career Ministers were Wristonees—something like 19 out of 46. It was also true however that a lot of people did not adapt to the situation and were selected out or left of their own volition. The reason I would differentiate Wriston from later efforts is that as far I could tell, the people who went into the Foreign Service did in fact become part of that Service. They served rotational careers, they assumed the new career patterns that the Foreign Service required. In the later changes, and not only in the FSRU program, we took historians into the Foreign Service, but they stayed in static positions in the Office of the Historian.

We also made another decision which I consider less than enlightened personnel practice. In the early 1970s, the implementation of the FSRU conversion program was delayed for a couple of years because of a USIA law suit. There was pressure to take Staff Corps personnel and give them officer status, we took almost 400 Staff Corps employees,

largely in administration, including personnel, and made them FSOs. Unlike the domestic group we have been discussing, these were people who would rotate from position to position, whether overseas or at home. What we did not do, however was to make Foreign Service “generalists”, but left them as “specialists”. Included in this group were such skills as personnel officer, general service officers, etc. Because we had a “generalist” mentality, we forced them to compete for promotions and assignments with the “generalist” administrative officers. This happened in the Consular Service as well. As a consequence, because their careers were less broad-gauged, these “specialists” were left behind. When we resumed the selection-out system for time-in-class in the late 1970s, some of these people bore the brunt and were discharged. There was never a peep out the Foreign Service. This one of the reasons why in recent years we have had so much concern about the revival of the selection-out process as required by the 1980 Act. Selection-out system had ceased to impact only the odd case of the “specialist” and went instead right to the heart of the Service. Some of the hot-shot political officers suddenly found themselves caught in a “window” or a 20-year time-in-class situation. That was seen as getting to the heart of the Service. It had a lot more visibility and therefore generally perceived pain. In general, I agree that we tend to manage not from a coherent over-all plan, but in most situations—not all would agree with this analysis of the 1980 Act—but in an ad hoc fashion. Tom described earlier the micromanagement approach that Crockett took. Most of the time, that is what happens. And that is directly related to the squeaky wheel principle. The other factor is that just about the time that some new policy is put in place, there is a change of leadership in the Under Secretary or Director General position or both. That gives rise to that well known syndrome:”Not invented here: “. This was not their reform, so that they had no commitment to it.

STERN: Bill has pointed out a number of factors that have changed during the thirty plus year time span we are covering. There are two others I would like to mention. One is the development of the American Foreign Service Association (AFSA) which has played a very important role in the evolution of the Department's personnel system. It began as

an association of professionals and has been accused since then from time to time of being a labor union. Both perspectives may be right, depending on time and subject. The role of AFSA in the development of the Department's personnel policies and processes has greatly strengthened over the thirty year span. Associated with that is the tendency to litigate through either the Department's internal processes or the U.S. court system. These avenues for changing the personnel policies and practices of the Department have been increasingly used during the last thirty years. When I came into the Department of State in 1951, no one would have considered appealing a decision of the Director General and non one, but no one, would have ever considered going to court. That attitude has been completely reversed. This of course in part a reflection of a sea change in societal attitudes. It is no longer frowned upon to appeal a perceived injustice both through the internal processes that have been made available by the organization or through the court system. Bill, wouldn't you agree that the management of personnel systems has become increasingly difficult as our society's love affair with litigation has increased? I believe that Alison Palmer was really the first case in my memory that took this new approach and broke the highly disciplined Foreign Service Corps that had existed. She took her cause, which was essentially the cause of women, through the Department's channels and then to court where she essentially won her point. I am not criticizing either the new litigation developments or Alison Palmer, but merely suggesting that there are greater complexities and constraints on personnel management today then was true thirty-forty years ago.

BACCHUS: I agree with the general premise. I think however that the new approach to resolution of personal grievances started before Palmer. I have been arguing with the current Director General and his staff that some of approaches discussed the Bremer and Thomas reports—the most recent critiques of the Department's personnel system — might have been written by the Hapsburgs—learning nothing and forgetting nothing. A lot of what we do in the personnel policy area, a lot of what is in the 1980 Act is there because of judicial developments. I agree with the point made about the Palmer case which goes back to approximately 1976. Literally, this week we may finally settle that

case after 14 years. There were some prior cases. There was another case, named after another Mr. Thomas, which put the selection-out process for low ranking in disrepute. This was the very sad case of an officer who committed suicide after being selected-out. This forced the Department to re-examine the due process available to the Foreign Service in selection-out cases. In the old days, if you were ranked in the bottom seven percent one year and in the bottom ten percent the following year—or whatever rules were in existence at any particular time—you were separated with no appeal. There was major court decision in the early 1970s which threw out that process. Therefore, while separation for time-in-class has continued, selection-out for low ranking or substandard performance has all, but disappeared. A major issue which impacted the Service later was raised by the Bradley case. That had to do with mandatory retirement at age 60. We had a period in the late 1970s when mandatory retirement was held in abeyance pending the court decision, which was made in the Spring just before the Foreign Service Act of 1980 passed. The Supreme Court essentially ruled that if the Department could show a relationship between conditions of overseas service and the need for mandatory retirement, that retirement would be sustained, but the Justices invited the Congress to re-examine the issue. This was not what any of us who had worked on the 1980 Act had expected. We had developed a new system based on the assumption that sooner or later we would lose mandatory retirement for age, but that it was necessary to have some means to force senior level attrition. We were hoping that age 60 would stand for a period of time until the new mechanisms could be put in place. The Department, after the Supreme Court decision, kept a mandatory retirement age but increased from 60 to 65, which mean that for a five year period, there were no cases for dispute. The Palmer case has made a major difference. I personally believe that an up-or-out system is what we need even at the cost of sacrificing some experience at the top. The greater good is of course the longer range health for the organization which benefits from the provision for promotions to the younger hot-shots. However, our present situation makes that process extremely difficult and I am not sure it is worth it. If every single separation, every single denial of extension of limited-career status, every single failure to be promoted to the

senior Foreign Service and having time-in-class limitations expire has to be litigated or grieved, I am not sure that society has not changed so much that we may have to find some other way of doing business. I have an old friend who used to work for the Office of Personnel Management (OPM) with a deep and broad personnel expertise with whom I have had the same argument for years. He says there is a place in the Foreign Service for the pot-bellied major if we would only accept him—the guy who is not a super star, who is not going to be the Chief of Staff, but who makes the machine run. He has a specialty in a certain area and is useful to the organization. My friend has always thought—and he may quite right—that we are banging our heads against the wall by trying to maintain an up-or-out system, which may be vestigial almost, in a society which does no longer accept the concept.

Q: I have had the feeling that AFSA has essentially represented over the years the hot-shot political cone officer who wants to keep getting rid of the "dead-wood"—that being anyone between him or her that stands in the way to the top. That seems to me to have been the driving motivation of AFSA during the 1970s and 1980s. It may have changed slightly lately.

BACCHUS: I think that may be going a little too far. That was clearly true when we putting the Foreign Service Act of 1980 together. All the AFSA honchos had been political officers who were anxious to be promoted. But right after the passage of the Act, that leadership left the AFSA board and were replaced by more senior officers, who were very skeptical of some of the policies that their predecessors had been urging because they perceived them as being unduly harsh on senior people. AFSA is like a lot of other voluntary organizations. A lot of people are asked to contribute a lot of time and there is always a small group that actually does that. AFSA's agenda therefore swings radically depending on which 12 people are on the Board of Directors and which 3 or 4 people happen to be officers. I have seen five or six slates of AFSA officers. I have worked with most of them in the 1980s on one issue or another. They could be more different from each other. We are not talking about Walter Reuther or the AFL-CIO, which had a consistent party line for extended

periods of time. There is a certain amount of self-interest among the various AFSA boards. For many years AFSA was run by Thea Reveille who was a Foreign Service secretary. This was before there was much legislation. She was doing a lot of work and she was more concerned about secretaries, communicators and other specialists. Therefore, these groups got more support from AFSA than they had either before or after her tenure. AFSA has been important, but of middling importance. It rises to the occasion when you get a major effort for reform; at other time, it is relatively quiescent. Part of AFSA's problem is a technical one. When Macomber put together the Foreign Service labor-management package, there was a fundamental choice made which was different from the choice made for the Civil Service. The choice related to the question of what composed the bargaining unit. For AFSA, the choice was made that the issues that were of greatest interest and importance for conditions of employments were related to promotion and assignments. Those affect everybody. Those were more important than the occupational differences. So AFSA became one bargaining unit for the whole Department. The Civil Service, on the other hand, looks more like craft unions. It has affinity unions. We have two or three Civil Service unions representing different people. The Department of Labor staffed entirely by Civil Service people, has something like nineteen different unions. The choice made twenty years ago impacts policies. From management's point of view, it is better to have agency-wide unions because on some of the issues that have been most controversial about the 1980 Act—i.e. the up-or-out features which were intended to retire senior officers to make room for younger ones—has left AFSA in an almost impossible dilemma since it must represent both groups. AFSA's internal politics belies the fundamental concept that all Foreign Service members have the same interests. In fact, on issue such as up-or-out sets one group of constituents against another. The AFSA has real trouble. Not to the extent that any one has seriously considered any statutory change to go to the Civil Service type of organization, but clearly AFSA gets cross-pressured. My general hypothesis is on those issues where different AFSA subgroups are in conflict with each other, AFSA has more difficulty in dealing with them than it has with issues which concern their total membership.

STERN: The other aspect is that each AFSA Board addresses the issues de novo because it has run on a platform which promises new directions. Therefore each new AFSA Board must also turn up every stone and see what is underneath. Instability is therefore the major characteristic of the Foreign Service personnel system from the day it was begun. The Civil Service system, being much more massive and diverse, does not change as frequently nor do any private personnel systems. No sizeable private organization would survive with a an ever-changing personnel system like the Foreign Service's.

Q: Tom, go back in history a little and discuss the Junior Officer group which was rather active in the early 1960s—The Kennedy era? As I remember it, it was a very strong group that was listened to.

STERN: There were two reasons for their influence. One was that society was changing and no one over thirty was to be trusted. This partly a reaction to the Vietnam war and partly due to the change in demographics. In this period also, the Department recruited a number of young Foreign Service officers who thought they knew “better”. The other reasons for their strength was that there was some feeling, particularly among the Crockett group, that the hope for changing the culture of the Foreign Service laid in this young group which had not yet been “contaminated” with standard tradition. This was particularly true of the Crockett men who were interested in programming systems. They felt that the new Foreign Service officers had been given adequate academic training in quantitative analysis to make a system essentially based on quantification of policy objectives much more viable than us older types who never heard of the subject while we went through our academic worlds. So there a confluence between the younger officers' desire to be activists and management's interest in using that activism and the new skills for its own purposes—namely to change what it considered the stodgy attitude of the Foreign Service and the installation of modern management techniques.

Q: Bill, when you entered the Department, did you see any residue of this management interest in the Junior Officers?

BACCHUS: There was a little left. The Foreign Service is a reflection of society. I think what we saw was a reflection of the 1960s. Part of it was the entrance classes in the 1960's and early 1970s had considerable talent—people like Bill Harrop, Lannon Walker. They wrote a fine report in 1968 for the new Administration. They were well organized, talented and had certain advantages. The Service these days, in part because the Junior Officers tend to be somewhat older, maturer with more experience, is staffed by people who are careerists. They probably have picked the Foreign Service career despite the problems of two-career families, terrorism, hardship posts, etc. They have calculated the pluses and minuses. There was some of the same difference being an undergraduate at Princeton in the late 1960s and teaching at the University of Virginia in the 1970s. Both were large Foreign Service feeder schools. At Princeton, I saw a lot of students who had always wanted to be FSOs. They were Foreign Service “brats”; their lives would have to be radically changed if they were going to do something else. At Virginia, I saw a lot of students looking at the Foreign Service, not as something that they always wanted, but rather on the basis that if the Foreign Service offered the most attractive offer, they would give it a try. I am not sure that is all bad. The “Princeton attitude” made the Foreign Service too insular and too separated. I have do not see any sort of cohesiveness and group mentality among today's entrants as compared to earlier recruits. Many are extraordinarily talented. They tend to get socialized in other ways—by cones or by geographic areas rather than junior vs. senior. The fact that the Foreign Service is no longer viewed necessarily as a life time career will be evidenced in the future by people who will spend only part of their careers in the Foreign Service, partly for family reasons. The concept of a “specialist” will make that easier to do. The structure of the standard government retirement system—Foreign Service and Civil Service are quite similar in this respect—is such for the older part of the population that unless you stay for a whole career and retire out of the system, you will seriously penalized. If you resign and take your contributions

out, you will only receive a fraction of the value that would be available if stayed to such age when you could take retirement. The new federal retirement system which became effective in 1986-87 are much more portable. They are based on Social Security, on thrift plans like IRAs or KEOUGHs. The amount that one actually puts into the defined benefit plan which one cannot take out and transfer to other retirement schemes is much smaller. There are many people in the Foreign Service who have reached a stage in their careers when they would prefer to do something else, but they feel they have to remain until they reach age 50, because they feel they can't afford to leave before then. With this new portability, that view will diminish. That is likely to lead to greater mobility. People today are not as career oriented as they were in 1950-70 period. I am not sure that it a totally bad thing.

STERN: Bill, in 1983 you wrote a book Staffing for Foreign Affairs: Personnel Systems for the 80s and 90s, which was the last major effort to pull these many issues together in one comprehensive total. The book is remarkable because it starts with a chapter on defining the needs of the future foreign affairs community. Most, if not all, other studies on improving the Foreign Service start with personnel improvements per se, without reference to the substantive requirements of the Department and its overseas establishments. They had little relationship to what the American government and public and Congress expected from the Foreign Service and to how did these expectations differed from those in the post World War I period, the immediate World War II era, the post Vietnam era, etc. I have always thought that it was a great mistake to divorce the two issues. An organization which does not confirm and reconfirm what it is to do can not really develop an effective personnel system. Bill, is there any effort being made today to develop a relationship between the two issues?

BACCHUS: I wish I could say that I thought that there had been a significant amount of improvement. It is an issue of fundamental importance. It drives me to be more enthusiastic about a “specialist” Foreign Service rather than a more “generalist” one. There are contrary trends for good and sufficient reasons. But the comparative advantage to

the Department and the Foreign Service is the deep expertise in bilateral or geographical based affairs and on certain kinds of functional issues. The dilemma we have is that in a relatively small service that has to staff some 260 posts you cannot have everybody be a deep expert. You have to able to staff the three-men posts where people have to be able to handle everything. On the other hand, I do not think we have paid sufficient attention to the coherence that the Department can offer and the careers it could develop. We are currently working on something that if the D.G. and his staff have their way, will most certainly make us pay the piper four or five years down the road. The choice has been made not to designate everybody by some principal career ladder—political, economic, counselor, etc—until the time of tenuring. I think that 90 percent of the people will wish to become political officers and we will therefore set off a new round of litigation because the Department will be making some of the choices based on whim since there will not be enough Junior officer jobs to able to satisfy the wishes of all and therefore will deny to some the opportunity to prove that they can be a good political officer. Even more to the point, if you believe as I do, that expertise is what the Department needs then people must be recruited with more relevance to their careers. If I am some one graduating from Berkeley with a 3/3 in Chinese and wish to pursue Chinese studies for my career, I will not have incentives to join the Foreign Service which will not be able to guarantee me even an assignment in China and will force me to invest four or five years in the system before I can even discuss an assignment in Chinese politics or economics. My other choices will be with business which needs me to further investments in China, I have academic interests and then there is journalism. What we are going to do by structuring a system that doesn't emphasize specific skills is to drove off the most talented younger members of society who will go to other careers with a better compensation package with a guarantee that they can pursue the careers of their choice. I think it is a fundamental error. The whole Foreign Service can not be structured for “specialists” only, but it needs considerable changes to encourage pursuit of certain specializations. What I would do —and this is strictly a minority view of those who worry about the Service—is revise the system from top to bottom if you want to provide opportunities for those experts that

the country needs. We can do projections; we know that out of the approximately 200 new officers recruited every year, 75 should be political officers. Year in and year out, to meet our personnel needs, we need six or seven of those officers to become Soviet Union and Eastern European specialists, five should be Chinese experts, two or three for Japan and so on. I have never been convinced that we wouldn't be better off if we didn't recruit specifically for our known needs from the beginning. This does not mean that some generalist experience wouldn't be required in the first four years, but the applicant would know that his or her subsequent career would be dedicated primarily to their chosen fields at least until they reach the senior ranks. That would have profound implications for the rest of the system. It would mean that the “open” assignment system, which too often leads to dilettante careers, would have to have more management guidance. We would not necessarily permit an officer to mess around in Paris for three years if that assignment doesn't fit career development. It would change the promotion system. It makes no sense if the system is to emphasize specialization to compete all political officers against each other. There was a period some years ago when we could not a Japanese-speaking officer promoted. The country director for Japan was at one point was an FSO-2 in an MC position—a four grade difference. The Boards were just not reacting to the needs of the Service. Ii would mean that Japanese speakers would compete with each other and the Chinese-speakers against each other, so that the system could be assured that it would have people at the right level with the right expertise. I don't think we are responding to the needs of the Service. From the point of view of the assignment process, you would prefer that all FSO-2 political officers are fungible because it makes the operation of the system much easier. We assume we can move someone from Helsinki to Buenos Aires and expect the same kind of performance.

I am trained as a political scientist from Yale which at the time was looking for empirical theories, for regularity of politics as a scientist would. I studied comparative politics looking for generalizations based on behavioral theories. I kid FSOs all the time, particularly those of my age and out of the same background, by asking them whether there aren't

general rules of politics and events that happen anywhere. Otherwise, you couldn't move people from Finland to Argentina without loss of effectiveness. Eighty or ninety percent of knowledge must be transferrable or the scheme doesn't make any sense. If the existing theories are correct, then I ask my friends what they are so that us poor benighted political scientists can know. We have spent a lot of years of our lives looking for them. I am of course being facetious. Some of these premises are believed because we have to believe them. We cannot manage a system of 140 or 150 specialist cadres. But is seems to me that at least in respect to the major countries of concern to the U.S.—China, Soviet Union, the Arab world, Latin Americans, Europeanist, etc—we could have better focus than we do have. The system gets distorted in funny ways. We will send a nomination for Ambassador an individual who may have spent one tour in the country to which he is to be assigned or even in neighboring countries. The problem is that our working level population is not where the Ambassadorial positions available to career officers are. All the officers that have spent their careers in Europe, if they are going to be Ambassadors, will almost certainly be Ambassadors in other parts of the world. So there are some structural disconnects. I have of course painted an extreme picture. If I were to re-invent the personnel system, I would start with the question of how close we could come to the focus on career patterns of the kind I wished for, even though some compromises for operational reasons will be required. I would prefer that focus to the one that starts with the pure generalist mode. I recognize that the conditions in the different “cones” are different. What situation one might find for consular and administrative officers will not conform exactly to the situation in political and economic in terms of geographic expertise. It may well be that the hot-shot administrative officer is more fungible than some others, although even there guys who can operate in a European climate may have more trouble in the Third World—just the caliber of the local staff, the relationships with the local government, etc.

STERN: Let me make one comment at this stage. There is one other factor that should be noted. The management of the Foreign Service personnel system has also increased

in complexity in the last thirty years by the advent of rapid communication and television. Not only do these technological advances require new skills for Foreign Service personnel, but even more important, it tends in our democracy to make the camera a vital factor in the development and determination of foreign policy. The American people are influenced more by the thirty-second bites that they watch on the nightly TV news than by the briefings that a State Department official may give daily. In fact, these briefings are barely mentioned even in the print media. These new technologies have changed drastically the nature of the foreign policy process, particularly for those issue that require public funds or public support. The “inside” information that a Foreign Service officer may collect is no longer as relevant to the decision-making process as it once was. Foreign policy is becoming increasingly a public affair and less and less the private province of a few. This is bound to have an effect on the nature of the Foreign Service.

The media covers those foreign policy issues which interests the American public or perhaps those issues are of interest to the American voters because the media covers them. Whichever is the “chicken or the egg” it is those issues, some of which are acute and critical that attract attention and lets the American people be Presidents and Secretaries of State. The current debate on our China policy is an illustration of my point. The atrocities committed by the Chinese authorities—Tiananmen Square—which were well covered by the media limits the President's instincts to re-establish normal relations with the PRC. The same is true in the South Africa situation. Vietnam changed the foreign policy process of this country. Not all have yet understood the impact of “fighting a war in your living room” had on mobilizing citizen interest in foreign policy. What President Bush is doing with Sino-US relationships is in secret and therefore little support in Congress and among Americans in general. What the Foreign Service analysts have to say about, right as it may be, will be lost in a democratic decision-making process. It is not clear to me that the Foreign Service has yet recognized the impact—I almost said supremacy—of the media in the development of foreign policy. This new phenomenon is also true for the development of our national defense strategy and the expenditure of defense funds.

The intrusion of the media in foreign policy makes it absolutely essential that the Foreign Service develop country and area specialists because it is only a recognized specialist who will be sought out by the media and found credible. It is no longer efficient to state that one is an Ambassador and therefore one knows what is going one. The media is much too cynical and skeptical to accept that. If the Ambassador however has been a country or area expert of thirty years duration, then there is a chance that knowledge may have some influence or that at least his or her views will be mentioned in the news coverage. It is very important that if there is not to be a major chasm between Congress and the Administration on foreign policy issues, it becomes essential that Foreign Service officers become much more media oriented and more attuned to the need to include the US Government views in any story that the media reports to the American public. I have known some Ambassadors that understood this new requirement and were therefore much more effective representatives of their government than the many who still consider the media as another group to be tolerated, but certainly not courted. I have recently heard of an Ambassador, who after a very unpleasant incident, went on local television to assure the people in the country of his assignment that he did not hold them responsible and that the US government viewed the matter as a isolated instance. That is wise use of the media to build and maintain bridges between two countries. Not enough people fully recognize the changes that the media has made in the foreign policy process of the United States. It is what appears on the nightly news and in the daily newspapers, rather than the Embassy cables, that makes a difference when it comes to major foreign policy decisions. There is no way to put that genie back in its place and the sooner the Foreign Service recognizes the new dimension of foreign policy decision-making, the sooner it will return to a position of influence.

BACCHUS: I would agree with that, particularly the point made on specialization. It doesn't do any good to be the greatest expert in the world if that knowledge can't be translated into influence. CNN has changed the world in terms the way we must do business. During the Panama incidence, CNN was saying that American troops were in a village in the outskirts

of Panama City looking for Noriega supporters. Within five minutes, one of the inhabitants of that village was on the phone to CNN to tell it that it was wrong; the Americans had not arrived, but he hoped that they would do so soon. Our military is watching the show and sure enough, it shows up in that town soon after the call. The context in which we operate is a radically different one. CNN is a world-wide network, which has therefore an impact much greater than in the U.S. The nature of the foreign policy business is changed. That is a danger point for traditional institutions of which the Foreign Service and the Department are two. Our ability to change in a way that is responsive to the new demands placed on us is a question. I am not sure that the Foreign Service and the Department will survive in their present form unless we learn to be more responsive and can overcome the inherent conservatism.

Q: As a personnel expert, how do you view training?

BACCHUS: It is not a discrete part or stage of an officer's career. One of our problems is that there is an anti-training bias in the Service. Part of that is because approximately two-thirds of our entering Junior Officers have advanced degrees. That has of course been true for a long time. If there is a purely instrumental course—i.e the officer needs to learn Chinese or Russian—that sells pretty well. Or a five day course in computers or ConGen in Rosslyn, where you are taught what you need to know how to stay out of jail as a Consular Officer—those courses tend to go pretty well. But the more abstract, higher level, “how do we modernize” courses—i.e a two week refresher on German politics with a lot of experts—typically does not sell very well because the Foreign Service practitioner believes that he or she knows the material better than the academic or the intelligence expert or the journalist—who ever might be invited to give views. That of course is not necessarily so; the outside person brings outside perspectives. It is like any other career service. One of the traits that distinguished the hot-shot from the ordinary is that the former recognize the need to retool periodically. It is obvious in the sciences, in medicine; it is less obvious in our business and among certain academics. Even lawyers who concerned about their

capabilities spend a lot of time upgrading their skills because the world is changing. We are in a time of ferment and change.

Part of the problem also stems form the fact that we don't have the resources. We take gaps every time we send someone to training. The posts are screaming for people. That however does not excuse the fact that we have been too comfortable in assuming that were employing fully developed professionals who don't need training. We have been too stingy with the resources both in terms of people, so that we could send some for training every year, and in considering programs that would permit a steady upgrading of skills. We have been too smug about our training capabilities.

STERN: The point Bill makes is very important. In an era in which changes are occurring each minute if not each second, an organization such as the Foreign Service if it cannot stay up with those changes, is going to be a dinosaur and either pass away or become irrelevant. We have seen some of that already in the last thirty years, but the acceleration of change in the last three years makes it absolutely essential that the Foreign Service modernize if it to be at all viable.

BACCHUS: We started, probably about 1982, a mid-career course for people returning to Washington after their first extended stretch overseas. This was a fifteen week course. There had been some problems with it, but it had both functional sections and it had more general parts. Great rebellion on the part of the students in part because the caliber of the instruction needed to be upgraded, but mostly because “we don't need to know this sort of stuff”. Solely on the complaints of the students, M and DG canceled the course; we are now back to a piece-meal pattern of courses that are not mandatory. Essentially, it was just an example of a frequent situation in the Foreign Service system where the “inmates run the asylum”. The general point that I would make, whether the issue is recruitment or assignment or promotion or training, is that if the Foreign Service is going to be able to justify its existence over the long term, it has to be responsive to the interests of the nation. Those interests generate requirements that the Foreign Service just has to meet. It can not

be run as a sinecure for its members. Any sensible employer pays attention to the needs of the employees. He will wish to have happy employees rather than dissatisfied ones. But at some point, the primary focus must be on the questions “Why does this organization exist? What is this personnel system trying to accomplish?”. We tend to forget those questions. If I have a general critique on how the Foreign Service operates is that it has become too self-centered and is being run for the benefit of the Service rather than the country.

STERN: That is a well stated point, that you made in your 1983 book. Let me ask you, Bill, whether the Foreign Service recruitment process have something to do with this “culture” of the Foreign Service—the self-satisfaction, the suspicion of outsiders, the inability or unwillingness to relate to the real world, etc. Do the Foreign Service problems start right at the beginning?

BACCHUS: Arguably they do, although it may be less the process than the traditional nature of the work. I don't think that the Foreign Service is more self-centered than the academics that I know or certain kind of doctors. It is an elite profession that shares certain tendencies, one of which is that they don't join the profession to manage it, but also do not believe that someone who is not a member can manage it. There was at least in the olden days of the Foreign Service a “band of brothers” notion that created this antithesis against outsiders. The youngster from New Mexico, who wanted to join the Foreign Service did not go to his State University; he came East and went to the Ivy League. The other side of self-centeredness is a certain esprit de corps, which says “We are different. We go where others don't. We do things that others don't”. That creates both the exclusiveness and the esprit. That is what makes possible for the Foreign Service to function in very difficult circumstances. It is also builds a fence around the Service.

I am not sure that it is the fault of the recruitment process because we a pretty good job in getting the word out about our Service in many cases. The Foreign Service, like many other professions, is largely self-selected. There may be an exotic picture of what life in the

Foreign Service, although that seems to be changing. It may attract a certain personality type, but it may have more to do with what the functions are about rather than effect of the recruitment efforts.

Q: Has the recruitment changed in light of litigation and other factors? There was a period when recruitment was tied to the functional needs to the Service. This apparently did not produce a demographic profile sufficiently filled with minorities and women. So the Department changed. There is a great more emphasis now on English writing and expression in order to pass more women through the written examination. This seems to be an almost "defensive" kind of recruiting to insure that there will be no suits.

BACCHUS: There may some of that but there is an awful lot of history that shows that the previous exams were only incidentally related to success in the Foreign Service. That has been our problem. You have people like George Vest and Roy Atherton stating in court that they barely passed the written exam. Pretty soon the judges rule that the exam is not job-related. If you can show a relationship between work requirements and the exam, then if there are differential results, you don't have a legal problem. Our problem is that we have found it very difficult to pin-point the essential skills required to be a good Foreign Service officer. We have said for years that the written exam is used as a screen; it is something that everybody in the country can take and used to winnow the numbers of applicants down from the sixteen thousand that take it to a more manageable number that can go through the orals and other assessments. We did not give the exam this past December. We are trying to devise a new process that is more legally defensible. But it is hard to say that any changes in an exam will make much difference in the caliber of the recruits. Some of us believe—and it may sound like reverse discrimination—that an argument can be made right now that the caliber of the women that are entering the Foreign Service is better than that of the men. There is some extraordinary female talent among the mid-level and junior officers. This has happened over the last decade. We have a major problem, like the rest of society, with respect to certain minorities, particularly blacks. The decline in the proportion of black males who are going to college combined with a more open

society means that the Department, in terms of recruiting hot-shot black males, has a lot of competition in a smaller pool of availables. We are not doing as well as we should be, although I am not sure that this can be all laid at the feet of recruitment. It has to with a lot of things. We are not very speedy; people have already gone off to other endeavors, usually at higher salaries than we could offer. Some people believe that a public service-oriented minority group member is more likely to be interested in domestic issues than overseas affairs. I am not sure I believe that, but that is an argument that is sometimes made. We have not because of our image have been particularly successful at reaching that part of the population. There are not the cultural-racial inhibitions to overcome when you are recruiting women for overseas service that you have with minorities.

STERN: Bill, do we know yet enough about what makes a successful Foreign Service officer?You tried to define that in your book; Argyris tried in earlier days. Do we yet know?

BACCHUS: We certainly don't know in any kind of formalized manner. A lot of what you can find out is largely intuitive or common sense. There was a book, originated by Crockett, called " This Worked for Me"—a series of essays by Ambassadors and other high ranking officials; there were some very interesting interviews by Michael Maccabee, who was associated with Harvard—Carol Laise found him and then he was passed on to Harry Barnes, with senior hot-shots. It did show some patterns, none of which would surprise anyone very much. Even if you had a list of, for example, eight traits that are most desirable in Foreign Service officers, it is still very difficult to device a valid recruitment instrument that would measure the presence of these traits in applicants. It would have to be a test that would show to be legally defensible, that if you score high on scale "A" you will do better on the job that the person who scores lower. Making the connection between what we think works and how you measure it at the entry level has not yet happened.

Q: The other side of course is that if you only recruit the hot-shots you miss the person who will actually make the system work.

BACCHUS: True. There is an argument for that point of view. The hot-shot mold is a very elitist mold. Some of the people who pick the most on the Foreign Service—and with whom I have argued the most over the years—are schizophrenic. They will argue that the way you avoid some of our current problems is to have an “A” track or a “B” track, instead of throwing everybody into the same pool. You would have an executive track and an administrative track as the British do. I am afraid of that. We have 4300 American employees. If you end up with an “A” track with 800 people in it—high risk, high gamble since the track would be self-designated—and 3500 others, I am not sure we could maintain that kind of structure that is that elitist. It would be subject to considerable litigation just as our present system of up-or-out is. That model concerns me, although in the abstract you can see why you might want to do it, particularly if the track choice is left to the individual. But we don't really know enough to run that kind of system. People change. We all know of people who when thirty years old were expected by all to reach the top. Twenty or twenty-five years later, they were nowhere. We all have also seen late bloomers; people who toddle along, who are decent officers but nothing special and then one day they get assigned to the right job at the right time and become a star. We don't want a system like the Japanese education one where if you don't pass the right exam at age 11, you are forever barred from opportunities. You got to allow for the fact that people change and develop in different ways. None of us are going to be at a sustained level of performance throughout our whole career; things happen to families; things happen psychologically. People are not automatons. The Foreign Service, if it is going to be run humanely has to have enough room and enough flexibility to accommodate some of that.

STERN: That is a very interesting point which raises a question about career development. One of the long standing debates ever since I joined the Foreign Service was the question of devising a pattern for a young officer which eventually will lead him or her to some almost pre-determined senior position. The British used to do that and may still; they started training potential candidates for the Ambassadorship in Moscow fifteen years before the assignment. Bill, do you have some skepticism of that being done?

BACCHUS: I think it is extremely difficult to do. Obviously, my model of specialization has some of that flavor in it. You can't recruit a number of “China hands” without thinking about among other things what jobs will they fill and when in their careers. By doing so, you have of course locked the system in because certain senior positions are pre-occupied by China experts who have risen through that stream. On the other hand—and this may be a little inconsistent—the Foreign Service already has too much a “ticket-punching” mentality. If you have ever dabbled in casual modeling—whet causes what—there is a clear Foreign Service mentality that says “If I can only get the assignment system to give me the right job—officer director, DCM, etc—then that will get me promoted”. So the casual stream runs from me using influence to get assigned to certain positions to get a promotion. I think it goes back—and this is pernicious in certain ways and good in others—to “corridor” reputation. The assignments one serves in and promotions are not as closely related as many believe. The system thinks that X is a good officer; that means when the system thinks about promotions, X will most likely be promoted; when the system is dealing with assignments, X will get the assignment he or she seeks.

Q: When I served on a promotion panel from Minister-Counselor to Minister, I didn't know most of the people. So I relied on the position they served in and the efficiency ratings. If some one was the DCM in Switzerland and someone was the DCM in Lebanon and both had good ratings, it was obvious to which one I would prefer.

BACCHUS: When you get to a certain level at the top, there may well be that tendency on the assumption that the system will have already made a selection of the better person. I think the system is as reputation oriented as it is performance oriented. You may be more influenced by the fact that one was the DCM in Lebanon and the other in Switzerland, rather than having a sense of which one performed better. You don't really know and therefore you'll select according to position filled. But lower down, doing the job that is right for you, even if it is out of the mainstream, is more likely to produce the kind of performance that will be rewarded. The conventional wisdom of the Foreign Service is not

to accept details to other agencies; don't go to school; etc. In fact, the numbers show that you are more likely to excel in jobs that you are interested in as opposed to jobs you took because someone said it would be good for your career and you had to punch that ticket. Within reason, I think you also have to show a number of main-line jobs; you can get too far out. The one-for-one relationship that everybody “knows”, may not be true.

STERN: That is very interesting, Bill, because if true then I think that is a very radical departure from the Foreign Service of the 1950s-70s. Then the ability to maneuver the system either through your own devices or most likely, because you had friends who were able to do that for you, was the key ingredient to promotion. Even in Crockett's days and somewhat in Macomber's days, the “clubs”—the EUR club, the Soviet club, etc—used to run the assignment system and thereby the promotion process. If, as a junior officer, you were able to draw the attention of a senior Foreign Service officer and followed him along, you were almost guaranteed a meteoric career. “Corridor” reputation did not have as much to do with your progress as your personal relationship to a shaker-and-mover.

Q: I must say that in my interviews of senior officers, a great number who became Ambassadors had served as staff assistants in the Secretariat or in one of the geographical bureaus. The staff assistant job seems to be a key position which moves you along because you meet and work for the “right” people.

BACCHUS: I would agree that those Seventh Floor senior staff jobs are important, but it may be for different reasons. You have just made the conventional argument that if you go serve for a Deputy Secretary like Larry Eagleburger, it will pay off because he will take care of you. To a degree that will be true because we are all looking for good officers. It is not favoritism; the senior officer will remember that the junior delivered for him before and therefore he will go back to the well with a known quantity when he has the opportunity. There is however an alternative explanation of why the staff jobs are good for an officer in the early part of his career. If you assume that there is a human learning curve, then you should assign the hot-shot kids to those jobs fairly early so that

they can learn early how the Department and the system work in a way that you cannot learn in any other assignment. They are therefore better equipped to help themselves when they are assigned to a geographic desk later. They will know how to get their input up to and through the Secretariat or other parts of the system. There is an advantage that comes from exposure to the system which as important, if not more, than having worked for a particular individual. If we are recruiting good people and are doing an adequate career development through assignments and through on-the-job experience, that kind of experience is very important. But you can also learn some of these inside things in other ways. Different people learn differently. Some people have an innate sense of organization; some are hopeless. If you put the hopeless ones in staff jobs, they will perform inadequately and will not learn. At the same time, you deny the jobs to the ones have that have the organization sense intuitively. I have seen too many people who have taken off-the-wall jobs and got lucky. They were in those jobs at the right time and rose to the occasion.

STERN: Has the process of bidding for jobs changed the nature of the system?

BACCHUS: It has probably made things a little more open. On the other hand, a lot of people waste their bids because they bid for positions that are not realistic for them. I know people who pride themselves even today on never having bid on a job. We let them get away with it which is unfortunate. They tell you that someone has always chased them. We are now not permitting any assignment to a position for which the officer has not bid on. We strong-arm people into bidding for jobs that are available. We should have called our system an “open bidding system” rather than an “open assignment system”. Management has to decide at some point that it in the interest of the greater good that some if not all assignments must be made without bidding. The worst example I have ever seen concerned a situation about five years ago in which a long time lawyer in our Mission to the UN had taken ill suddenly and was not available. The General Assembly was about to meet and the Mission needed another lawyer desperately. At the same time, there was Foreign Service officer, who had trained as a lawyer, serving in the front

office of the Bureau for International Organizations (IO)—the backstopping bureau for the UN Mission—who was trying to decide whether he wanted to remain a generalist or whether he should move to the Office of the Legal Advisor(L) to specialize as a lawyer. One sensible solution might have been to assign the officer to L and then detail him to New York. But because he was still Foreign Service and because we had rules which required open bidding on vacant positions, that reasonable and direct approach could not be taken. We had to send out a cable advertising the New York position. We generated a lot of false bids and ended up in the final analysis assigning the IO lawyer to the job. This was also advantageous to L because it permitted that office to look at the man to see whether he would eventually be a good candidate for L. We went through all the shenanigans and finally managed to get him to New York about December 15 just as the General Assembly was concluding its work. This was sheer madness. The system was so inflexible that management could not do the obvious, sensible thing. Part of the problem arose because IO was not eager to let the officer go. They complained about “no lawyer at the General assembly”, but they wanted someone else to come up with a body. We do get trapped by our own procedures.After graduating from college I spent sometime in the submarine service and I therefore always been interested in the comparison of the Navy personnel system and of the Foreign Service. The Foreign Service borrowed 1946 in part from the Navy system. There are some organizational matters that are the same. Ships are organized more or less the way embassies are. DCM and Executive Officers would understand each other in terms of functions. The generalist mentality especially in submarines is very pronounced. We can learn from their assignment system. They have a team that is half officers and half long term Civil Service which follow you throughout your career. They assign these people for the first fifteen years out of the Academy or NROTC. They get to know them. The naval officers know the current conditions in the Fleet and the Civil Service people know the people. We are not anywhere near that precise in terms of Foreign Service assignments. I think the Naval bidding system has always made more sense than ours. It is a more controlled bidding system. The Naval officer could specify which port he wanted; he could specify the class of submarine desired; and the kind of

job desired. But you had to prioritize your wish list. You have to state that your primary consideration is location or submarine type or job. You would probably get your first wish, but maybe would have to trade that off some of your other desires. We try to do it in too discrete units. Our system is the equivalent of a Naval officer saying that he would only accept a job in San Diego in Trident submarine as a weapons officer. The Navy would say that the officer could have one or two of his wishes, but not necessarily all three. We should try to game a system that would limit the choices a little bit and see what the results might be. It might prove very educational. The Navy is more management oriented and it makes no bones about doing something different if the applications and requirements do not match up. You salute and do what you are told. Our assignment process has to be more controlled to avoid 93 people bidding for DCM-Dublin. That behavior tells me that something is wrong and people are wasting their bids. We need to know the preferences because obviously to the extent possible you want to be accommodating. But in the final analysis, management has to use its manpower where it is needed. You can't run an organization very well without that degree of control.

That control is also absolutely essential if we emphasize specialization more. You can give an officer a couple of breather tours—out of cone and area—but essentially, if you are a China expert, you have to be constrained in the assignment process to positions related to China. You would have to find a way to take care of the cross-overs. What do you do with an officer who is declared persona-non-grata from the country of his or her specialization. The officer was superb and was PNGed because he was doing the US government's business. You couldn't declare that officer's career as over because of that incident. My model works better for those specializations which cover regional matters so that the skills are transferrable to a number of posts—such as Latin America or the Arab world. It is more difficult for Japan, so that I am not sure that you could implement my model across the board. But we need to come a lot closer to it than we are the moment if we are going to survive.

STERN: Let me ask one final question. Currently, do you see developments in the personnel system which give you some optimism?

BACCHUS: I don't think we have addressed the fundamental problem, which is this “specialist” vs “generalist” problem. We are misusing our personnel resources in some cases. We have not structured the junior jobs particularly well. Affirmative action is better. We have crossed a threshold in terms of Service attitudes. Now we have to find the people who will give us a representative body. There have been so many good demonstrable performances by women and minorities that the Service does no longer argue that affirmative action is a mistake. We have found the right caliber of personnel. I have been flogging for at least five years the “functional needs” study which something like the “human resources information system” of the late 70s. That system got short-circuited. It attempted to identify the skills of people that were in the system and the requirements of the positions that had to be filled. It was hoped that the two could be somewhat matched up. Today, we are getting a little shortchanged on the money required and there are some questions whether the contractor who is doing the work will provide a good product. the notion has been sold. Ivan Selin and the DG have accepted the basic premise. I am still nagging them about doing only a study of the present; I would like to know what the Year 2000 is going to look like as best as we can guess. Our biggest current dilemma is how to assign 200 officers to Eastern European without devastating the Western European posts. If I had tried to raise this issue in January 1989, I would have been accused of using controlled substances. Some time you can't predict the future and that is one of the advantages of a generalist system, some will argue. In a career system, you are stuck with the people you have; so you'd better get good people who can retool four or five or six times during their careers. I accept that, but it doesn't answer the problem of having to develop sufficient expertise in certain areas. Part of the Service must focus on those parts of the world and those issues that are and will be primary to this country and government. I don't see why you can't have a system that is partly staffed by specialist and part by generalists. The trick has tended to specialize up through the mid-level and suddenly one

day blossom as a generalist as you reach the top of the Service. That is hard to do. You need cross-over mechanisms. Some how or other we have managed to get ourselves in the untenable position that anybody who is “different from me is inferior”. It is the only part of American society where the specialists are second-class citizens. It is not your corner lawyer who is the fancy lawyer; it is the litigator, the tax man, the bond man. It is not your general practitioner who is the fancy doctor; it is the brain surgeon. Why the Foreign Service has put itself in a situation in which people, who know fully a certain area are seen as “too narrow”, I do not understand. It is inconsistent with rest of society. We need a variety of people. The military does better than we do in recognizing that both specialists and generalists are essential. It builds reward structures that emphasize that.

We won't reach Nirvana the day after tomorrow. But personnel systems are some of the most complex social structures known to mankind. You never fix them totally, because by the time you take care of last week's problem, you are faced with three new ones. I don't think we are losing ground;, there are some aspects that are actually improved. But we still continue to dance around the gut issues. I switched jobs because Ron Spiers asked me to move to his office and because I was beginning to become like the Hapsburg in the DG's office—”Don't confuse me with any more facts. I have my biases pretty well formed”. It is fascinating to look at the issue somewhat removed from their day to day involvement. If there is something positive to be said, it is the caliber of our people. We still attract a good group who could have easier careers—more lucrative and more comfortable—other places. They are coming from a broader proportion of our population although still not as broad as we would like. They think for themselves; they question more what is being done. They have an awful lot of talent. That is our stock in trade. We need a system that can be fair to them and get them channeled into areas and patterns of operations where we most need them. The caliber of the people is what makes the Department attractive.

Q: I would like to conclude on that positive note. On behalf of the association for Diplomatic Studies, its oral history program and Georgetown University, I would like to thank both of you for a most interesting, informative and enjoyable program.

End of interview